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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

SB61: Public Safety - 9-1-1 Fees - Audits
Budget and Taxation Committee
Hearing: January 15, 2020, 1:00 PM

The Office of Legislative Audits released a report on November 20, 2019, which criticized the Emergency Numbers Systems Board (ENSB) for not auditing regularly. Fortunately, the NG911 Commission had already crafted a solution to that problem.

As Maryland moves forward with improvements to the 9-1-1 system, it is imperative to verify that all ~202 telephone companies and other 9-1-1 service providers are complying with the funding portions of the new law. As you may have heard, there have been problems with the accuracy in collection of the 9-1-1 fees. T-Mobile had been overcharging its customers for up to 14.5 years as reported in the Baltimore Sun (<http://bit.ly/2Nk7lo8>). In one Michigan county, it was discovered that Sprint had not been collecting the increased 9-1-1 fee, resulting in the company making a \$1.45 million late payment (<http://bit.ly/3a9DgXs>).

“Carl Henn’s Law,” (SB339) enacted in 2019, adjusted the 9-1-1 fee structure. In order to ensure that the 9-1-1 fees are collected and remitted accurately, the NG911 Commission voted to authorize the State Comptroller to perform audits. The Office of the Comptroller already audits our telecommunications providers for sales tax receipts, so they have the expertise and the staff to expand their efforts to include the 9-1-1 fee. SB61 would:

- Authorize the Comptroller’s Office to conduct audits of 9-1-1 fee collection and remittance of the ~202 telephone service providers;
- Require the Comptroller to submit an annual report to the ENSB; and,
- Allow for a fee not more than .5% to be charged for this service (less than the ENSB is currently paying).

SB61 has been introduced as emergency legislation, so as to allow the Comptroller’s Office to begin immediately. Each month that goes by without proper oversight is a missed opportunity to ensure that the much-needed fees are being collected for our 9-1-1 Centers.

I urge the Committee to favorably report SB61.

Amendment: There is a clarifying amendment to ensure that both State and County fees are audited and ensure that the ENSB will cover the fee for both sources of revenue.